GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:5707
ANSWERED ON:07.04.2017
GDP
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Will the Minister of FINANCE be pleased to state:

(a) whether the Government has assessed the growth of Gross Domestic Product (GDP) and if so, the details thereof during the last three years and the current year;

(b) the details of the estimated growth rate in various sectors including agriculture, industrial, manufacturing and service sectors;

(c) whether the Government has noted that the GDP is 7 percent even as sectoral data reflected minimal impact of demonetisation on account of a sharp rise in agricultural growth and a pickup in manufacturing sector growth and if so, the details thereof; and

(d) whether the Indian economy is going up after demonetisation and if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI ARJUN RAM MEGHWAL)
(a): As per the latest figures published by the Central Statistics Office (CSO), the growth rate of Gross Domestic Product at constant market prices (real GDP) is estimated at 7.2 per cent, 7.9 per cent and 7.1 per cent respectively in 2014-15, 2015-16 and 2016-17. The Economic Survey 2016-17 projected that the real GDP growth in 2017-18 will be in the range of 6Â¾ per cent to 7Â½ per cent.
(b): The growth rate of Gross Value Added at constant basic prices (real GVA) for agriculture & allied, industry, manufacturing and services sectors during last three years are given below:

Table 1: Growth rate of GVA at constant (2011-12) basic prices (per cent)

Sectors	2014-15*	2015-16#	2016-17$
Agriculture & allied	(-) 0.3	0.8	4.4
Industry	6.9	8.2	5.8
Manufacturing	7.5	10.6	7.7
Services	9.5	9.8	7.9
GVA at Basic Prices	6.9	7.8	6.7

Source: Central Statistics Office, *:Second Revised Estimates, #: First Revised estimates, $:Second Advance Estimates

(c): As per the quarterly estimate released by the CSO, the growth rate in the real for the third quarter (October-December quarter) of 2016-17 was 7.0 per cent. The growth of GDP in the third quarter of 2016-17 was estimated to have been boosted by a 6 per cent growth in the real GVA in agriculture & allied sectors, which is higher than the corresponding growth rates of 1.9 per cent and 3.8 per cent respectively in the first and second quarters of the year. The growth rate in the real GVA of manufacturing in the third quarter of 2016-17 was 8.3 per cent, as compared the corresponding growth rates of 9.0 per cent and 6.9 per cent respectively in the first and second quarters of the year.
(d): As per the quarterly estimates brought out by the CSO, real GDP grew by 7.2 per cent and 7.4 per cent respectively in the first and second quarters of 2016-17. The real GDP growth was estimated to be 7.0 per cent in the third quarter of the yearâ€"the period during which the demonetisation of high denomination currencies occurred. On the basis of the estimates of national income for first three quarters of 2016-17 and the second advance estimates for 2016-17 by the CSO, the implied growth of real GDP for the fourth quarter would be robust at 7.0 per cent.
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